



Davis Wright Tremaine LLP

SUITE 1400, 1100 K STREET, N.W.
WASHINGTON, D.C. 20004-4201
TEL: (202) 462-7000
FAX: (202) 462-7001
WWW.DWT.COM

2000 CENTURY SQUARE
EAST JORDAN AVENUE
JUNEAU, ALASKA 99801-1688
TEL: (907) 586-1688
FAX: (907) 586-1689
WWW.DWT.COM

TEL: (202) 462-7000
FAX: (202) 462-7001
WWW.DWT.COM

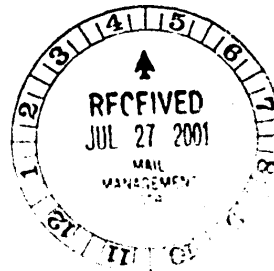
July 26, 2001

RECORDATION NO. W-63 FILED

AUG 1 2001 2-42 PM

TS

SURFACE TRANSPORTATION BOARD



VIA AIR COURIER

Vernon A. Williams
Secretary
Surface Transportation Board
ATTN: Recording Department
1925 K Street NW
Washington, DC 20423

Re: Recordation of Documents
Watercraft
Lessor: Key Equipment Finance, a Division of Key Corporate Capital Inc.
Lessee: Chilkats' Portage Cove Development Company
Equipment: M/V CHILKAT EXPRESS; Official No. 1110737

Dear Secretary:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

- (a) Memorandum of Bareboat Charter Party, a primary document, dated July 5, 2001.
- (b) The names and addresses of the parties to the document are as follows:

Lessor: Key Equipment Finance, a Division of Key Corporate Capital Inc.
54 State Street, 9th Floor
Albany, New York 12207

Lessee: Chilkats' Portage Cove Development Company
2075 Jordan Avenue
Juneau, Alaska 99803-4844

U.S. DEPT. OF JUSTICE
SECTION 11301 OF TITLE 49 OF THE U.S. CODE
RECORDATION

Version A. Williams
July 26, 2001
Page 2



(c) A description of the equipment covered by the document follows:

Vessel M/V CHILKAT EXPRESS, Official No. 1110737.

A recording fee of \$26.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to:

Richard J. Schroeder
Davis Wright Tremaine LLP
2100 Century Square
1501 4th Avenue
Seattle WA 98101-1688

A short summary of the document to appear in the index follows:

Primary Document: Memorandum of Bareboat Charter Party, dated July 5, 2001, between Key Equipment Finance, a Division of Key Corporate Capital Inc., as Owner and lessor and Chilkats' Portage Cove Development Company, as Charterer and lessee covering the vessel M/V CHILKAT EXPRESS, Official No. 1110737, Hailing Port Klukwan, Alaska.

Very truly yours,

Davis Wright Tremaine LLP



Richard J. Schroeder

/rk
Enclosures

RECORDATION NO. W-63 FILED

AUG 1 01 2-42 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF BAREBOAT CHARTER PARTY

BETWEEN

KEY EQUIPMENT FINANCE,
A DIVISION OF KEY CORPORATE CAPITAL INC.
("OWNER")

AND

CHILKATS' PORTAGE COVE DEVELOPMENT COMPANY
("CHARTERER")

JULY 5, 2001

Filed with the Surface Transportation Board pursuant to
49 U.S.C. §11301 on _____, 2001, at _____ M.
Recordation Number _____

MEMORANDUM OF BAREBOAT CHARTER PARTY

This Memorandum of a Bareboat Charter Party is made and entered into as of July 12, 2001, by and between Key Equipment Finance, a Division of Key Corporate Capital Inc., a Michigan corporation ("Owner") and Chilkats' Portage Cove Development Company, an Alaska corporation ("Charterer").

WITNESSETH:

1. Owner has agreed to furnish to Charterer, and the Charterer has agreed to lease from Owner, one catamaran passenger ferry named CHILKAT EXPRESS, Official No. 1110737, as identified on Schedule 1 attached hereto.

2. The Bareboat Charter Party shall be effective as of the date first set forth hereinabove and shall be subject to the Term, as defined in the Bareboat Charter Party.

3. This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

OWNER:

KEY EQUIPMENT FINANCE, a Division of
Key Corporate Capital Inc.

By Krista Spada

Name: Krista Spada

Title: Regional Business Unit Manager

CHARTERER:

CHILKATS' PORTAGE COVE DEVELOPMENT
COMPANY

By _____

Name: Thomas P. Blanton

Title: Assistant Corporate Secretary/Treasurer

RECORDATION NO. W-63 FILED

AUG 1 2001 2:42 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF BAREBOAT CHARTER PARTY

This Memorandum of a Bareboat Charter Party is made and entered into as of July 6th, 2001, by and between Key Equipment Finance, a Division of Key Corporate Capital Inc., a Michigan corporation ("Owner") and Chilkats' Portage Cove Development Company, an Alaska corporation ("Charterer").

WITNESSETH

1. Owner has agreed to furnish to Charterer, and the Charterer has agreed to lease from Owner, one catamaran passenger ferry named CHILKAT EXPRESS, Official No. 1110737, as identified on Schedule 1 attached hereto.

2. The Bareboat Charter Party shall be effective as of the date first set forth hereinabove and shall be subject to the Term, as defined in the Bareboat Charter Party.

3. This Memorandum may be executed in counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

OWNER

KEY EQUIPMENT FINANCE, a Division of
Key Corporate Capital Inc.

By

Name Krista Spada

Title Regional Business Unit Manager

CHARTERER

CHILKATS' PORTAGE COVE DEVELOPMENT
COMPANY

By

Name Thomas P. Blanton

Title Assistant Corporate Secretary/Treasurer

STATE OF NEW YORK)
) ss.
COUNTY OF ALBANY)

On this 2nd day of July, 2001, before me personally appeared Krista Spada, to me personally known, who being by me duly sworn, says that s/he is the Regional Business Unit Manager of KEY EQUIPMENT FINANCE, a Division of Key Corporate Capital Inc., a Michigan corporation, that the foregoing instrument was signed on behalf of said corporation, and s/he acknowledged that the execution of the said instrument was his/her free act and deed.

BRIDGET ANN ARMSTRONG
Notary Public, State of New York
No: 01AR6013155
Qualified in Schenectady County
Commission Expires September 8, 2002

Bridget Ann Armstrong
NOTARY PUBLIC

My commission expires: 9/8/02

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

On this ___ day of July, 2001, before me personally appeared Thomas P. Blanton, to me personally known, who being by me duly sworn, says that he is the Assistant Corporate Secretary/Treasurer of CHILKATS' PORTAGE COVE DEVELOPMENT COMPANY, an Alaskan corporation, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF NEW YORK)
)
) ss
COUNTY OF ALBANY)

On this day of July, 2001, before me personally appeared Krista Spada, to me personally known, who being by me duly sworn, says that s/he is the Regional Business Unit Manager of KEY EQUIPMENT FINANCE, a Division of Key Corporate Capital Inc., a Michigan corporation, that the foregoing instrument was signed on behalf of said corporation, and s/he acknowledged that the execution of the said instrument was his/her free act and deed.

NOTARY PUBLIC

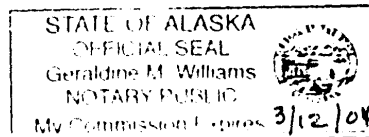
My commission expires

STATE OF ALASKA)
) ss
FIRST JUDICIAL DISTRICT)

On this 5 day of July, 2001, before me personally appeared Thomas P. Blanton, to me personally known, who being by me duly sworn, says that he is the Assistant Corporate Secretary/Treasurer of CHUKATSI PORTAGE COVE DEVELOPMENT COMPANY, an Alaskan corporation, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Geraldine M. Williams
NOTARY PUBLIC

My commission expires March 12, 2004



SCHEDULE 1

Vessel subject to Bareboat Charter Party dated July 5, 2001 between Key Equipment Finance, a Division of Key Corporate Capital Inc., as Owner, and Chilkats' Portage Cove Development Company, as Charterer.

VESSEL	OFFICIAL NUMBER
CHILKAT EXPRESS	1110737

and all equipment located onboard or used in connection with the above described Vessel, the whole of the vessel, together with her boilers, engines, generators, air compressors, cranes, machinery, masts, spars, riggings, boats, anchors, cable, chains, tackle, tools, pumps and pumping equipment, apparel, furniture, furnishings, fittings, spare parts, stores, and all other appurtenances thereunto appertaining or belonging, whether now owned or hereafter acquired, whether on board or not, and all additions, renewals and replacements hereafter made in or to the Vessel, and proceeds thereof, and all accounts, charters and contracts for the use or hire of the above described Vessel, and all proceeds thereof.